



JUL - 7 2005

The Honorable John Hoeven
Governor of North Dakota
State Capitol
600 East Boulevard Avenue, Department 101
Bismarck, North Dakota 58505-0001

Dear Governor Hoeven:

It is with pleasure that I respond to the State of North Dakota's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted four requests for waivers. The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Waiver to remove the requirement for competitive procurement of training providers for the youth program.

The state is seeking a waiver of this requirement to apply to all ten youth program elements. We asked the state to submit additional information so we could complete our review, but have not received this information to date. The state indicates that a waiver is needed to address barriers related to the rural nature of the state, including a limited number of training providers. We note that there is current flexibility allowed for rural areas to move forward without competitive selection, if they compete services and do not get back sufficient responses. The waiver is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e).

Based on the request as submitted in the State Plan, we are approving a waiver for three youth program elements: 1) paid and unpaid work experience, including internships and job shadowing; 2) supportive services; and 3) follow-up services for not less than 12 months after the completion of participation, through June 30, 2007. Once we receive the additional information from the state, and confirm that additional flexibility is being sought beyond this approved waiver, we will review the information according to the established waiver procedures and respond to the state accordingly.

Requested Waiver 2: Extension of a waiver to extend the time period of initial eligibility at 20 CFR 663.530.

The state reports continued difficulties with the collection of training provider performance data, particularly the "all student" information. Without a waiver, the state indicates that the Eligible Provider Training List would be diminished, leaving little customer choice. The waiver is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the State of North Dakota is granted an extension of this waiver through June 30, 2007.

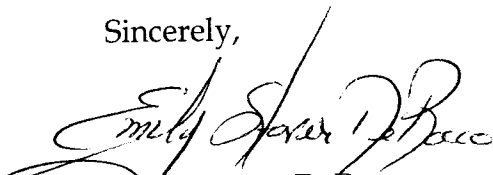
Requested Waiver 3: Waiver to allow use of the random sample method of eligibility verification in data validation.

The state is seeking a waiver to allow the use of the random sample method of eligibility verification that was established by Training and Employment Guidance Letter (TEGL) 12-01. The data validation source documentation requirements as embodied in the WIA data validation handbook and TEGL 3-03, Change 1, supersede the guidance provided in TEGL 12-01. ETA abandoned the method North Dakota is seeking to reinstate, and now requires states to collect a minimum set of source documentation for WIA participants. Data validation policies are an important part of our efforts to increase accountability. This request does not meet the higher standard for waiving the key WIA reform principle of increased accountability at 20 CFR 661.410(c). Accordingly, we cannot approve this request. We support the state's efforts to operate more efficiently. Our Regional Office is available to provide assistance in this matter.

As provided for under paragraph 3 of the executed Agreement, the granted waivers are incorporated by reference into the State's WIA Grant Agreement. A copy of this letter should be filed with the WIA Grant Agreement and the Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure